

AMENDED IN SENATE APRIL 24, 2012

AMENDED IN SENATE MARCH 29, 2012

SENATE BILL

No. 1532

Introduced by Senator Pavley

February 24, 2012

An act to amend Section 2103 of the Code of Civil Procedure, to amend Sections 110, 202, 1505, 2105, 2602, 5008, 5008.6, 5130, 7130, 8810, 9130, 12214, 12310, 12570, 13226, 15901.16, 15902.01, 15909.02, 16303, 16309, 16953, 16959, 17051, 17054, 17060, 17062, 17451, 17654, and 18200 of, to repeal Part 8 (commencing with Section 14350) of, and to repeal Part 10 (commencing with Section 14450) of, Division 3 of Title 1 of, the Corporations Code, to amend Section 14101 of the Financial Code, and to amend Sections 12178.1, 12185, and 12191 of the Government Code, relating to business filings.

LEGISLATIVE COUNSEL'S DIGEST

SB 1532, as amended, Pavley. Business filings.

(1) Existing law provides for the formation and governance of various business entities, including, but not limited to, limited liability companies, limited liability partnerships, and corporations. Existing law requires a business entity to file specified documents disclosing information regarding the entity with the Secretary of State. Existing law specifies the information to be provided by business entities in the filings, including, but not limited to, the address of their principal office.

This bill would specify that the required address information is the street address, and would require the business entity to provide its mailing address, if different from its street address.

(2) Existing law prohibits a corporation from constructing, or taking tolls on, a bridge, ferry, wharf, chute, or pier until that authority has

been granted by the board of supervisors, or other governing body, as appropriate. Existing law specifies the circumstances and ~~time frames~~ *timeframes* under which these corporations may dissolve. Existing law requires the president and secretary of each of those corporations to report annually to the board of supervisors, or other governing body having authority, as specified, certain information about the corporation's operations. Existing law provides for the formation and operation of water and canal corporations for the purpose of supplying water to cities and towns, and specifies the circumstances under which these corporations may impose a charge for water supply services.

This bill would eliminate the above provisions pertaining to those forms of special purpose corporations.

(3) Existing law specifies the manner in which the secretary shall maintain forms filed with the secretary, including requirements that the secretary cause specified federal lien notice filings to be marked, held, and indexed in accordance with specified provisions of the Commercial Code. Existing law requires the secretary to return to an unincorporated association a copy of a statement, noting the file number and filing date, filed by the association. Existing law requires that upon receipt of a filing pursuant to the Corporations Code, accompanied by a fee of \$25 or more, the secretary shall compare and certify 2 copies of the filing free of charge, provided the copies were submitted with the original filing.

This bill would revise those requirements, as specified. The bill would state the findings, declarations, and intent of the Legislature. The bill would also make conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) The Legislature finds and declares all of the
- 2 following:
- 3 (1) Businesses file many documents with the Secretary of State.
- 4 (2) The current filing process is manual, very ~~time-consuming~~
- 5 *time consuming*, and ~~paper-intensive~~ *paper intensive* for the
- 6 Secretary of State and businesses.
- 7 (3) California Business Connect will replace the manual,
- 8 ~~time-consuming~~ *time consuming*, and paper-intensive process with

1 a program that will allow businesses to file documents and request
2 records via the Internet at any time of day.

3 (4) Existing law needs to be updated and standardized to more
4 efficiently facilitate the development of California Business
5 Connect.

6 (b) It is the intent of the Legislature to amend applicable
7 provisions of existing law to make it easier and less expensive for
8 the Secretary of State's office to design and build California
9 Business Connect.

10 SEC. 2. Section 2103 of the Code of Civil Procedure is
11 amended to read:

12 2103. (a) If a notice of federal lien, a refiling of a notice of
13 federal lien, or a notice of revocation of any certificate described
14 in subdivision (b) is presented to a filing officer who is:

15 (1) The Secretary of State, he or she shall cause the notice to
16 be filed, indexed, and marked in accordance with the provisions
17 of Sections 9515, 9516, and 9522 of the Commercial Code as if
18 the notice were a financing statement within the meaning of that
19 code; or

20 (2) A county recorder, he or she shall accept for filing, file for
21 record in the manner set forth in Section 27320 of the Government
22 Code, and index the document by the name of the person against
23 whose interest the lien applies in the general index.

24 (b) If a certificate of release, nonattachment, discharge, or
25 subordination of any lien is presented to the Secretary of State for
26 filing he or she shall:

27 (1) Cause a certificate of release or nonattachment to be filed,
28 indexed, and marked as if the certificate were a termination
29 statement within the meaning of the Commercial Code.

30 (2) Cause a certificate of discharge or subordination to be filed,
31 indexed, and marked as if the certificate were a release of collateral
32 within the meaning of the Commercial Code.

33 (c) If a refiled notice of federal lien referred to in subdivision
34 (a) or any of the certificates or notices referred to in subdivision
35 (b) is presented for filing to a county recorder, he or she shall
36 accept for filing, file for record in the manner set forth in Section
37 27320 of the Government Code, and index the document by the
38 name of the person against whose interest the lien applies in the
39 general index.

1 (d) Upon request of any person, the filing officer shall issue his
2 or her certificate showing whether there is on file, on the date and
3 hour stated therein, any notice of lien or certificate or notice
4 affecting any lien filed after January 1, 1968, under this title or
5 former Chapter 14 (commencing with Section 7200) of Division
6 7 of Title 1 of the Government Code, naming a particular person,
7 and if a notice or certificate is on file, giving the date and hour of
8 filing of each notice or certificate. Upon request, the filing officer
9 shall furnish a copy of any notice of federal lien, or notice or
10 certificate affecting a federal lien. If the filing officer is a county
11 recorder, the fee for a certificate for each name searched shall be
12 set by the filing officer in an amount that covers actual costs, and
13 the fee for copies shall be in accordance with Section 27366 of the
14 Government Code. If the filing officer is the Secretary of State,
15 the certificate shall be issued as part of a combined certificate
16 pursuant to Section 9528 of the Commercial Code, and the fee for
17 the certificate and copies shall be in accordance with that section.

18 SEC. 3. Section 110 of the Corporations Code is amended to
19 read:

20 110. (a) Upon receipt of any instrument by the Secretary of
21 State for filing pursuant to this division, if it conforms to law, it
22 shall be filed by, and in the office of, the Secretary of State and
23 the date of filing endorsed thereon. Except for instruments filed
24 pursuant to Section 1502, the date of filing shall be the date the
25 instrument is received by the Secretary of State unless the
26 instrument provides that it is to be withheld from filing until a
27 future date or unless in the judgment of the Secretary of State the
28 filing is intended to be coordinated with the filing of some other
29 corporate document which cannot be filed. The Secretary of State
30 shall file a document as of any requested future date not more than
31 90 days after its receipt, including a Saturday, Sunday, or legal
32 holiday, if the document is received in the Secretary of State's
33 office at least one business day prior to the requested date of filing.
34 An instrument does not fail to conform to law because it is not
35 accompanied by the full filing fee if the unpaid portion of the fee
36 does not exceed the limits established by the policy of the Secretary
37 of State for extending credit in these cases.

38 (b) If the Secretary of State determines that an instrument
39 submitted for filing or otherwise submitted does not conform to
40 law and returns it to the person submitting it, the instrument may

be resubmitted accompanied by a written opinion of the member of the State Bar of California submitting the instrument, or representing the person submitting it, to the effect that the specific provision of the instrument objected to by the Secretary of State does conform to law and stating the points and authorities upon which the opinion is based. The Secretary of State shall rely, with respect to any disputed point of law (other than the application of Sections 201, 2101, and 2106), upon that written opinion in determining whether the instrument conforms to law. The date of filing in that case shall be the date the instrument is received on resubmission.

(c) Any instrument filed with respect to a corporation (other than original articles) may provide that it is to become effective not more than 90 days subsequent to its filing date. In case such a delayed effective date is specified, the instrument may be prevented from becoming effective by a certificate stating that by appropriate corporate action it has been revoked and is null and void, executed in the same manner as the original instrument and filed before the specified effective date. In the case of a merger agreement, the certificate revoking the earlier filing need only be executed on behalf of one of the constituent corporations. If no revocation certificate is filed, the instrument becomes effective on the date specified.

SEC. 4. Section 202 of the Corporations Code is amended to read:

202. The articles of incorporation shall set forth:

(a) The name of the corporation; provided, however, that in order for the corporation to be subject to the provisions of this division applicable to a close corporation (Section 158), the name of the corporation must contain the word—“~~corporation~~”, “*corporation*,” “~~incorporated~~” “*incorporated*,” or “limited” or an abbreviation of one of such words.

(b) (1) The applicable one of the following statements:

(i)

(A) The purpose of the corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code; or

1 ~~(ii)~~

2 (B) The purpose of the corporation is to engage in the profession
3 of ____ (with the insertion of a profession permitted to be
4 incorporated by the California Corporations Code) and any other
5 lawful activities (other than the banking or trust company business)
6 not prohibited to a corporation engaging in such profession by
7 applicable laws and regulations.

8 (2) In case the corporation is a corporation subject to the
9 Banking Law (*Division 1 (commencing with Section 99) of the*
10 *Financial Code*), the articles shall set forth a statement of purpose
11 which is prescribed in the applicable provision of the Banking
12 Law.

13 (3) In case the corporation is a corporation subject to the
14 Insurance Code as an insurer, the articles shall additionally state
15 that the business of the corporation is to be an insurer.

16 (4) If the corporation is intended to be a “professional
17 corporation” within the meaning of the Moscone-Knox Professional
18 Corporation Act (Part 4 (commencing with Section 13400) of
19 Division 3), the articles shall additionally contain the statement
20 required by Section 13404.

21 The articles shall not set forth any further or additional statement
22 with respect to the purposes or powers of the corporation, except
23 by way of limitation or except as expressly required by any law
24 of this state other than this division or any federal or other statute
25 or regulation (including the Internal Revenue Code and regulations
26 thereunder as a condition of acquiring or maintaining a particular
27 status for tax purposes).

28 (c) The name and street address in this state of the corporation’s
29 initial agent for service of process in accordance with subdivision
30 (b) of Section 1502.

31 (d) The street address of the corporation.

32 (e) The mailing address of the corporation, if different from the
33 street address.

34 (f) If the corporation is authorized to issue only one class of
35 shares, the total number of shares which the corporation is
36 authorized to issue.

37 (g) If the corporation is authorized to issue more than one class
38 of shares, or if any class of shares is to have two or more series:

39 (1) The total number of shares of each class the corporation is
40 authorized to issue, and the total number of shares of each series

1 which the corporation is authorized to issue or that the board is
2 authorized to fix the number of shares of any such series;

3 (2) The designation of each class, and the designation of each
4 series or that the board may determine the designation of any such
5 series; and

6 (3) The rights, preferences, privileges, and restrictions granted
7 to or imposed upon the respective classes or series of shares or the
8 holders thereof, or that the board, within any limits and restrictions
9 stated, may determine or alter the rights, preferences, privileges,
10 and restrictions granted to or imposed upon any wholly unissued
11 class of shares or any wholly unissued series of any class of shares.
12 As to any series the number of shares of which is authorized to be
13 fixed by the board, the articles may also authorize the board, within
14 the limits and restrictions stated therein or stated in any resolution
15 or resolutions of the board originally fixing the number of shares
16 constituting any series, to increase or decrease (but not below the
17 number of shares of such series then outstanding) the number of
18 shares of any such series subsequent to the issue of shares of that
19 series. In case the number of shares of any series shall be so
20 decreased, the shares constituting such decrease shall resume the
21 status which they had prior to the adoption of the resolution
22 originally fixing the number of shares of such series.

23 SEC. 5. Section 1505 of the Corporations Code is amended to
24 read:

25 1505. (a) Any domestic or foreign corporation, before it may
26 be designated as the agent for the purpose of service of process of
27 any entity pursuant to any law which refers to this section, shall
28 file a certificate executed in the name of the corporation by an
29 officer thereof stating all of the following:

30 (1) The complete street address of its office or offices in this
31 state, wherein any entity designating it as such agent may be served
32 with process.

33 (2) The name of each person employed by it at each such office
34 to whom it authorizes the delivery of a copy of any such process.

35 (3) Its consent that delivery thereof to any such person at the
36 office where the person is employed shall constitute delivery of
37 any such copy to it, as such agent.

38 (b) Any corporation which has filed the certificate provided for
39 in subdivision (a) may file any number of supplemental certificates
40 containing all the statements provided for in subdivision (a), which,

1 upon the filing thereof, shall supersede the statements contained
2 in the original or in any supplemental certificate previously filed.

3 (c) No domestic or foreign corporation may file a certificate
4 pursuant to this section unless it is currently authorized to engage
5 in business in this state and is in good standing on the records of
6 the Secretary of State.

7 SEC. 6. Section 2105 of the Corporations Code is amended to
8 read:

9 2105. (a) A foreign corporation shall not transact intrastate
10 business without having first obtained from the Secretary of State
11 a certificate of qualification. To obtain that certificate it shall file,
12 on a form prescribed by the Secretary of State, a statement and
13 designation signed by a corporate officer stating:

14 (1) Its name and the state or place of its incorporation or
15 organization.

16 (2) The street address of its principal executive office.

17 (3) The street address of its principal office within this state, if
18 any.

19 (4) The mailing address of its principal executive office, if
20 different from the addresses specified pursuant to paragraphs (2)
21 and (3).

22 (5) The name of an agent upon whom process directed to the
23 corporation may be served within this state. The designation shall
24 comply with the provisions of subdivision (b) of Section 1502.

25 (6) (A) Its irrevocable consent to service of process directed to
26 it upon the agent designated and to service of process on the
27 Secretary of State if the agent so designated or the agent's successor
28 is no longer authorized to act or cannot be found at the address
29 given.

30 (B) Consent under this paragraph extends to service of process
31 directed to the foreign corporation's agent in California for a search
32 warrant issued pursuant to Section 1524.2 of the Penal Code, or
33 for any other validly issued and properly served search warrant,
34 for records or documents that are in the possession of the foreign
35 corporation and are located inside or outside of this state. This
36 subparagraph shall apply to a foreign corporation that is a party
37 or a nonparty to the matter for which the search warrant is sought.
38 For purposes of this subparagraph, "properly served" means
39 delivered by hand, or in a manner reasonably allowing for proof
40 of delivery if delivered by United States mail, overnight delivery

1 service, or facsimile to a person or entity listed in Section 2110 of
2 the Corporations Code.

3 (7) If it is a corporation which will be subject to the Insurance
4 Code as an insurer, it shall so state that fact.

5 (b) Annexed to that statement and designation shall be a
6 certificate by an authorized public official of the state or place of
7 incorporation of the corporation to the effect that the corporation
8 is an existing corporation in good standing in that state or place
9 or, in the case of an association, an officers' certificate stating that
10 it is a validly organized and existing business association under
11 the laws of a specified foreign jurisdiction.

12 (c) Before it may be designated by any foreign corporation as
13 its agent for service of process, any corporate agent must comply
14 with Section 1505.

15 SEC. 7. Section 2602 of the Corporations Code is amended to
16 read:

17 2602. The articles of incorporation shall set forth:

18 (a) The name of the flexible purpose corporation that shall
19 contain the words "flexible purpose corporation" or an abbreviation
20 of those words.

21 (b) (1) Either of the following statements, as applicable:

22 (A) "The purpose of this flexible purpose corporation is to
23 engage in any lawful act or activity for which a flexible purpose
24 corporation may be organized under Division 1.5 of the California
25 Corporations Code, other than the banking business, the trust
26 company business or the practice of a profession permitted to be
27 incorporated by the California Corporations Code, for the benefit
28 of the long-term and the short-term interests of the flexible purpose
29 corporation and its shareholders and in furtherance of the following
30 enumerated purposes ____."

31 (B) "The purpose of this flexible purpose corporation is to
32 engage in the profession of ____ (with the insertion of a profession
33 permitted to be incorporated by the California Corporations Code)
34 and any other lawful activities, other than the banking or trust
35 company business, not prohibited to a flexible purpose corporation
36 engaging in that profession by applicable laws and regulations,
37 for the benefit of the long-term and the short-term interests of the
38 flexible purpose corporation and its shareholders."

(2) A statement that a purpose of the flexible purpose corporation is to engage in one or more of the following purposes, in addition to the purpose stated pursuant to paragraph (1):

(A) One or more charitable or public purpose activities that a nonprofit public benefit corporation is authorized to carry out.

(B) The purpose of promoting positive short-term or long-term effects of, or minimizing adverse short-term or long-term effects of, the flexible purpose corporation's activities upon any of the following:

(i) The flexible purpose corporation's employees, suppliers, customers, and creditors.

(ii) The community and society.

(iii) The environment.

(3) A statement that the flexible purpose corporation is organized as a flexible purpose corporation under the Corporate Flexibility Act of 2011.

(4) If the flexible purpose corporation is a flexible purpose corporation subject to the Banking Law (Division 1 (commencing with Section 99) of the Financial Code), the articles shall set forth a statement of purpose that is prescribed by the applicable provision of the Banking Law (Division 1 (commencing with Section 99) of the Financial Code).

(5) If the flexible purpose corporation is a flexible purpose corporation subject to the Insurance Code as an insurer, the articles shall additionally state that the business of the flexible purpose corporation is to be an insurer.

(6) If the flexible purpose corporation is intended to be a professional corporation within the meaning of the Moscone-Knox Professional Corporation Act (Part 4 (commencing with Section 13400) of Division 3), the articles shall additionally contain the statement required by Section 13404. The articles shall not set forth any further or additional statement with respect to the purposes or powers of the flexible purpose corporation, except by way of limitation or except as expressly required by any law of this state, other than this division, or any federal or other statute or regulation, including the Internal Revenue Code and regulations thereunder as a condition of acquiring or maintaining a particular status for tax purposes.

1 (7) If the flexible purpose corporation is a close flexible purpose
2 corporation, a statement as required by subdivision (a) of Section
3 158.

4 (c) The name and street address in this state of the flexible
5 purpose corporation's initial agent for service of process in
6 accordance with subdivision (b) of Section 1502.

7 (d) The street address of the corporation.

8 (e) The mailing address of the corporation, if different from the
9 street address.

10 (f) If the flexible purpose corporation is authorized to issue only
11 one class of shares, the total number of shares that the flexible
12 purpose corporation is authorized to issue.

13 (g) If the flexible purpose corporation is authorized to issue
14 more than one class of shares, or if any class of shares is to have
15 two or more series, the articles shall state:

16 (1) The total number of shares of each class that the flexible
17 purpose corporation is authorized to issue and the total number of
18 shares of each series that the flexible purpose corporation is
19 authorized to issue or that the board is authorized to fix the number
20 of shares of any such series.

21 (2) The designation of each class and the designation of each
22 series or that the board may determine the designation of any such
23 series.

24 (3) The rights, preferences, privileges, and restrictions granted
25 to or imposed upon the respective classes or series of shares or the
26 holders thereof, or that the board, within any limits and restrictions
27 stated, may determine or alter the rights, preferences, privileges,
28 and restrictions granted to or imposed upon any wholly unissued
29 class of shares or any wholly unissued series of any class of shares.
30 As to any series the number of shares of which is authorized to be
31 fixed by the board, the articles may also authorize the board, within
32 the limits and restrictions stated in the article or in any resolution
33 or resolutions of the board originally fixing the number of shares
34 constituting any series, to increase or decrease, but not below the
35 number of shares of such series then outstanding, the number of
36 shares of any series subsequent to the issue of shares of that series.
37 If the number of shares of any series shall be so decreased, the
38 shares constituting that decrease shall resume the status which they
39 had prior to the adoption of the resolution originally fixing the
40 number of shares of that series.

1 SEC. 8. Section 5008 of the Corporations Code is amended to
2 read:

3 5008. (a) Upon receipt of any instrument by the Secretary of
4 State for filing pursuant to this part, Part 2, Part 3, Part 4 or Part
5 5, if it conforms to law, it shall be filed by, and in the office of the
6 Secretary of State and the date of filing endorsed thereon. Except
7 for instruments filed pursuant to Section 6210, 8210, or 9660 the
8 date of filing shall be the date the instrument is received by the
9 Secretary of State unless the instrument provides that it is to be
10 withheld from filing until a future date or unless in the judgment
11 of the Secretary of State the filing is intended to be coordinated
12 with the filing of some other corporate document which cannot be
13 filed. The Secretary of State shall file a document as of any
14 requested future date not more than 90 days after its receipt,
15 including a Saturday, Sunday or legal holiday, if the document is
16 received in the Secretary of State's office at least one business day
17 prior to the requested date of filing. An instrument does not fail
18 to conform to law because it is not accompanied by the full filing
19 fee if the unpaid portion of such fee does not exceed the limits
20 established by the policy of the Secretary of State for extending
21 credit in such cases.

22 (b) If the Secretary of State determines that an instrument
23 submitted for filing or otherwise submitted does not conform to
24 law and returns it to the person submitting it, the instrument may
25 be resubmitted accompanied by a written opinion of a member of
26 the State Bar of California submitting the instrument, or
27 representing the person submitting it, to the effect that the specific
28 provision of the instrument objected to by the Secretary of State
29 does conform to law and stating the points and authorities upon
30 which the opinion is based. The Secretary of State shall rely, with
31 respect to any disputed point of law (other than the application of
32 Section 5122, 7122, or 9122), upon such written opinion in
33 determining whether the instrument conforms to law. The date of
34 filing in such case shall be the date the instrument is received on
35 resubmission.

36 (c) Any instrument filed with respect to a corporation (other
37 than original articles) may provide that it is to become effective
38 not more than 90 days subsequent to its filing date. In case such a
39 delayed effective date is specified, the instrument may be prevented
40 from becoming effective by a certificate stating that by appropriate

1 corporate action it has been revoked and is null and void, executed
2 in the same manner as the original instrument and filed before the
3 specified effective date. In the case of a merger agreement, such
4 certificate revoking the earlier filing need only be executed on
5 behalf of one of the constituent corporations. If no such revocation
6 certificate is filed, the instrument becomes effective on the date
7 specified.

8 SEC. 9. Section 5008.6 of the Corporations Code is amended
9 to read:

10 5008.6. (a) A corporation that (1) fails to file a statement
11 pursuant to Section 6210, 8210, or 9660 for an applicable filing
12 period, (2) has not filed a statement pursuant to Section 6210,
13 8210, or 9660 during the preceding 24 months, and (3) was
14 certified for penalty pursuant to Section 6810, 8810, or 9690 for
15 the same filing period, shall be subject to suspension pursuant to
16 this section rather than to penalty under Section 6810 or 8810.

17 (b) When subdivision (a) is applicable, the Secretary of State
18 shall provide a notice to the corporation informing the corporation
19 that its corporate powers, rights, and privileges will be suspended
20 60 days from the date of the notice if the corporation does not file
21 the statement required by Section 6210, 8210, or 9660.

22 (c) If the 60-day period expires without the delinquent
23 corporation filing the required statement, the Secretary of State
24 shall notify the Franchise Tax Board of the suspension, and provide
25 a notice of the suspension to the corporation. Thereupon, except
26 for the purpose of filing an application for exempt status or
27 amending the articles of incorporation as necessary either to perfect
28 that application or to set forth a new name, the corporate powers,
29 rights, and privileges of the corporation are suspended.

30 (d) A statement required by Section 6210, 8210, or 9660 may
31 be filed, notwithstanding suspension of the corporate powers,
32 rights, and privileges under this section or under provisions of the
33 Revenue and Taxation Code. Upon the filing of a statement under
34 Section 6210, 8210, or 9660, by a corporation that has suffered
35 suspension under this section, the Secretary of State shall certify
36 that fact to the Franchise Tax Board and the corporation may
37 thereupon be relieved from suspension, unless the corporation is
38 held in suspension by the Franchise Tax Board because of Section
39 23301, 23301.5, or 23775 of the Revenue and Taxation Code.

1 SEC. 10. Section 5130 of the Corporations Code is amended
2 to read:

3 5130. The articles of incorporation of a corporation formed
4 under this part shall set forth:

5 (a) The name of the corporation.

6 (b) The following statement:

7
8 “This corporation is a nonprofit public benefit corporation and
9 is not organized for the private gain of any person. It is organized
10 under the Nonprofit Public Benefit Corporation Law for (public
11 or charitable [insert one or both]) purposes.”

12 [If the purposes include “public” purposes, the articles shall,
13 and in all other cases the articles may, include a further
14 description of the corporation’s purposes.]

15
16 (c) The name and street address in this state of the corporation’s
17 initial agent for service of process in accordance with subdivision
18 (b) of Section 6210.

19 (d) The street address of the corporation.

20 (e) The mailing address of the corporation, if different from the
21 street address.

22 SEC. 11. Section 7130 of the Corporations Code is amended
23 to read:

24 7130. The articles of incorporation of a corporation formed
25 under this part shall set forth the following:

26 (a) The name of the corporation.

27 (b) (1) Except as provided in paragraph (2), the following
28 statement:

29 “This corporation is a nonprofit mutual benefit corporation
30 organized under the Nonprofit Mutual Benefit Corporation Law.
31 The purpose of this corporation is to engage in any lawful act or
32 activity, other than credit union business, for which a corporation
33 may be organized under such law.”

34 (2) In the case of a corporation formed under this part that is
35 subject to the California Credit Union Law (*Chapter 1*
36 (*commencing with Section 14000*) of *Division 5 of the Financial*
37 *Code*), the articles shall set forth a statement of purpose that is
38 prescribed in the applicable provisions of the California Credit
39 Union Law.

1 (3) The articles may include a further definition of the
2 corporation's purposes.

3 (c) The name and street address in this state of the corporation's
4 initial agent for service of process in accordance with subdivision
5 (b) of Section 8210.

6 (d) The street address of the corporation.

7 (e) The mailing address of the corporation, if different from the
8 street address.

9 SEC. 12. Section 8810 of the Corporations Code is amended
10 to read:

11 8810. (a) Upon the failure of a corporation to file the statement
12 required by Section 8210, the Secretary of State shall provide a
13 notice of such delinquency to the corporation. The notice shall
14 also contain information concerning the application of this section,
15 and advise the corporation of the penalty imposed by Section 19141
16 of the Revenue and Taxation Code for failure to timely file the
17 required statement after notice of delinquency has been provided
18 by the Secretary of State. If, within 60 days after providing notice
19 of the delinquency, a statement pursuant to Section 8210 has not
20 been filed by the corporation, the Secretary of State shall certify
21 the name of the corporation to the Franchise Tax Board.

22 (b) Upon certification pursuant to subdivision (a), the Franchise
23 Tax Board shall assess against the corporation a penalty of fifty
24 dollars (\$50) pursuant to Section 19141 of the Revenue and
25 Taxation Code.

26 (c) The penalty herein provided shall not apply to a corporation
27 which on or prior to the date of certification pursuant to subdivision
28 (a) has dissolved or has been merged into another corporation.

29 (d) The penalty herein provided shall not apply and the Secretary
30 of State need not provide a notice of the delinquency to a
31 corporation the corporate powers, rights, and privileges of which
32 have been suspended by the Franchise Tax Board pursuant to
33 Section 23301, 23301.5, or 23775 of the Revenue and Taxation
34 Code on or prior to, and remain suspended on, the last day of the
35 filing period pursuant to Section 8210. The Secretary of State need
36 not provide notice of the filing requirement pursuant to Section
37 8210, to a corporation the corporate powers, rights, and privileges
38 of which have been so suspended by the Franchise Tax Board on
39 or prior to, and remain suspended on, the day the Secretary of State
40 prepares the notice for sending.

(e) If, after certification pursuant to subdivision (a) the Secretary of State finds the required statement was filed before the expiration of the 60-day period after providing the notice of delinquency, the Secretary of State shall promptly decertify the name of the corporation to the Franchise Tax Board. The Franchise Tax Board shall then promptly abate any penalty assessed against the corporation pursuant to Section 19141 of the Revenue and Taxation Code.

(f) If the Secretary of State determines that the failure of a corporation to file a statement required by Section 8210 is excusable because of reasonable cause or unusual circumstances which justify the failure, the Secretary of State may waive the penalty imposed by this section and by Section 19141 of the Revenue and Taxation Code, in which case the Secretary of State shall not certify the name of the corporation to the Franchise Tax Board, or if already certified, the Secretary of State shall promptly decertify the name of the corporation.

SEC. 13. Section 9130 of the Corporations Code is amended to read:

9130. The articles of incorporation of a corporation formed under this part shall set forth:

(a) The name of the corporation.

(b) The following statement:

“This corporation is a religious corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Religious Corporation Law (primarily or exclusively [insert one or both]) for religious purposes.” [The articles may include a further description of the corporation’s purpose.]

(c) The name and street address in this state of the corporation’s initial agent for service of process in accordance with subdivision (b) of Section 6210 (made applicable pursuant to Section 9660).

(d) The street address of the corporation.

(e) The mailing address of the corporation, if different from the street address.

SEC. 14. Section 12214 of the Corporations Code is amended to read:

12214. (a) Upon receipt of any instrument by the Secretary of State for filing pursuant to this part, if it conforms to law, it shall

1 be filed by, and in the office of the Secretary of State and the date
2 of filing endorsed thereon. Except for instruments filed pursuant
3 to Section 12570 the date of filing shall be the date the instrument
4 is received by the Secretary of State unless the instrument provides
5 that it is to be withheld from filing until a future date or unless in
6 the judgment of the Secretary of State the filing is intended to be
7 coordinated with the filing of some other corporate document
8 which cannot be filed. The Secretary of State shall file a document
9 as of any requested future date not more than 90 days after its
10 receipt, including a Saturday, Sunday or legal holiday, if the
11 document is received in the Secretary of State's office at least one
12 business day prior to the requested date of filing. An instrument
13 does not fail to conform to law because it is not accompanied by
14 the full filing fee if the unpaid portion of such fee does not exceed
15 the limits established by the policy of the Secretary of State for
16 extending credit in such cases.

17 (b) If the Secretary of State determines that an instrument
18 submitted for filing or otherwise submitted does not conform to
19 law and returns it to the person submitting it, the instrument may
20 be resubmitted accompanied by a written opinion of a member of
21 the State Bar of California submitting the instrument, or
22 representing the person submitting it, to the effect that the specific
23 provision of the instrument objected to by the Secretary of State
24 does conform to law and stating the points and authorities upon
25 which the opinion is based. The Secretary of State shall rely, with
26 respect to any disputed point of law (other than the application of
27 Section 12302), upon such written opinion in determining whether
28 the instrument conforms to law. The date of filing in such case
29 shall be the date the instrument is received on resubmission.

30 (c) Any instrument filed with respect to a corporation (other
31 than original articles) may provide that it is to become effective
32 not more than 90 days subsequent to its filing date. In case such a
33 delayed effective date is specified, the instrument may be prevented
34 from becoming effective by a certificate stating that by appropriate
35 corporate action it has been revoked and is null and void, executed
36 in the same manner as the original instrument and filed before the
37 specified effective date. In the case of a merger agreement, such
38 certificate revoking the earlier filing need only be executed on
39 behalf of one of the constituent corporations. If no such revocation

1 certificate is filed, the instrument becomes effective on the date
2 specified.

3 SEC. 15. Section 12310 of the Corporations Code is amended
4 to read:

5 12310. The articles of incorporation of a corporation formed
6 under this part shall set forth:

7 (a) The name of the corporation.

8 (b) The following statement:

9
10 “This corporation is a cooperative corporation organized under
11 the Consumer Cooperative Corporation Law. The purpose of this
12 corporation is to engage in any lawful act or activity for which a
13 corporation may be organized under such law.”

14 [The articles may include a further description of the
15 corporation’s purpose.]

16
17 (c) The name and street address in this state of the corporation’s
18 initial agent for service of process in accordance with subdivision
19 (b) of Section 12570.

20 (d) The street address of the corporation.

21 (e) The mailing address of the corporation, if different from the
22 street address.

23 (f) Whether the voting power or the proprietary interests of the
24 members are equal or unequal. If the voting power or proprietary
25 interests of the members are unequal, the articles shall state either
26 (i) the general rule or rules by which the voting power and
27 proprietary interests of the members shall be determined or (ii)
28 that such rule or rules shall be prescribed in the corporation’s
29 bylaws. Equal voting power means voting power apportioned on
30 the basis of one vote for each member. Equal proprietary rights
31 means property rights apportioned on the basis of one proprietary
32 unit for each member.

33 SEC. 16. Section 12570 of the Corporations Code is amended
34 to read:

35 12570. (a) Every corporation shall, within 90 days after the
36 filing of its original articles and annually thereafter during the
37 applicable filing period in each year, file, on a form prescribed by
38 the Secretary of State, a statement containing: (1) the name of the
39 corporation and the Secretary of State’s file number; (2) the names
40 and complete business or residence addresses of its chief executive

1 officer or general manager, secretary, and chief financial officer;
2 (3) the street address of its principal office in this state, if any; (4)
3 the mailing address of the corporation, if different from the street
4 address of its principal office in this state; and (5) if the corporation
5 chooses to receive renewal notices and any other notifications from
6 the Secretary of State by electronic mail instead of by United States
7 mail, the corporation shall include a valid electronic mail address
8 for the corporation or for the corporation's designee to receive
9 those notices.

10 (b) The statement required by subdivision (a) shall also
11 designate, as the agent of the corporation for the purpose of service
12 of process, a natural person residing in this state or any domestic
13 or foreign corporation that has complied with Section 1505 and
14 whose capacity to act as an agent has not terminated. If a natural
15 person is designated, the statement shall set forth the person's
16 complete business or residence street address. If a corporate agent
17 is designated, no address for it shall be set forth.

18 (c) For the purposes of this section, the applicable filing period
19 for a corporation shall be the calendar month during which its
20 original articles were filed and the immediately preceding five
21 calendar months. The Secretary of State shall provide a notice to
22 each corporation to comply with this section approximately three
23 months prior to the close of the applicable filing period. The notice
24 shall state the due date for compliance and shall be sent to the last
25 address of the corporation according to the records of the Secretary
26 of State or to the last electronic mail address according to the
27 records of the Secretary of State if the corporation has elected to
28 receive notices from the Secretary of State by electronic mail.
29 Neither the failure of the Secretary of State to send the notice nor
30 the failure of the corporation to receive it is an excuse for failure
31 to comply with this section.

32 (d) Whenever any of the information required by subdivision
33 (a) is changed, the corporation may file a current statement
34 containing all the information required by subdivisions (a) and
35 (b). In order to change its agent for service of process or the address
36 of the agent, the corporation must file a current statement
37 containing all the information required by subdivisions (a) and
38 (b). Whenever any statement is filed pursuant to this section, it
39 supersedes any previously filed statement and the statement in the

1 articles as to the agent for service of process and the address of
2 the agent.

3 (e) The Secretary of State may destroy or otherwise dispose of
4 any statement filed pursuant to this section after it has been
5 superseded by the filing of a new statement.

6 (f) This section shall not be construed to place any person
7 dealing with the corporation on notice of, or under any duty to
8 inquire about, the existence or content of a statement filed pursuant
9 to this section.

10 SEC. 17. Section 13226 of the Corporations Code is amended
11 to read:

12 13226. The articles of incorporation shall state:

13 (a) The name of the association.

14 (b) The purposes for which it is formed.

15 (c) The county where the principal office for the transaction of
16 business of the corporation is to be located.

17 (d) The number of directors thereof, which shall be not less than
18 three and may be any number in excess thereof; the term of office
19 of such directors; and the names and residence of those who are
20 to serve as directors for the first year, or until election and
21 qualification of their successors.

22 (e) The street address of the association.

23 (f) The mailing address of the association, if different from the
24 street address.

25 (g) The name and street address in this state of the association's
26 initial agent for service of process in accordance with subdivision
27 (b) of Section 1502.

28 SEC. 18. Part 8 (commencing with Section 14350) of Division
29 3 of Title 1 of the Corporations Code is repealed.

30 SEC. 19. Part 10 (commencing with Section 14450) of Division
31 3 of Title 1 of the Corporations Code is repealed.

32 SEC. 20. Section 15901.16 of the Corporations Code is
33 amended to read:

34 15901.16. (a) In addition to Chapter 4 (commencing with
35 Section 413.10) of Title 5 of Part 2 of the Code of Civil Procedure,
36 process may be served upon limited partnerships and foreign
37 limited partnerships as provided in this section.

38 (b) Personal service of a copy of any process against the limited
39 partnership or the foreign limited partnership will constitute valid
40 service on the limited partnership if delivered either (1) to any

1 individual designated by it as agent or, if a limited partnership, to
2 any general partner or (2) if the designated agent or, if a limited
3 partnership, general partner is a corporation, to any person named
4 in the latest certificate of the corporate agent filed pursuant to
5 Section 1505 of the Corporations Code at the office of the corporate
6 agent or to any officer of the general partner, shall constitute valid
7 service on the limited partnership or the foreign limited partnership.
8 No change in the address of the agent for service of process where
9 the agent is an individual or appointment of a new agent for service
10 of process shall be effective (1) for a limited partnership until an
11 amendment to the certificate of limited partnership is filed or (2)
12 for a foreign limited partnership until an amendment to the
13 application for registration is filed. In the case of a foreign limited
14 partnership that has appointed the Secretary of State as agent for
15 service of process by reason of subdivision (b) of Section 15909.07,
16 process shall be delivered by hand to the Secretary of State, or to
17 any person employed in the capacity of assistant or deputy, which
18 shall be one copy of the process for each defendant to be served,
19 together with a copy of the court order authorizing the service and
20 the fee therefor. The order shall include and set forth an address
21 to which the process shall be sent by the Secretary of State.

22 (c) (1) If an agent for service of process has resigned and has
23 not been replaced or if the agent designated cannot with reasonable
24 diligence be found at the address designated for personal delivery
25 of the process, and it is shown by affidavit to the satisfaction of
26 the court that process against a limited partnership or foreign
27 limited partnership cannot be served with reasonable diligence
28 upon the designated agent or, if a foreign limited partnership, upon
29 any general partner by hand in the manner provided in Section
30 415.10, subdivision (a) of Section 415.20, or subdivision (a) of
31 Section 415.30 of the Code of Civil Procedure, the court may make
32 an order that the service shall be made upon a domestic limited
33 partnership which has filed a certificate or upon a foreign limited
34 partnership which has a certificate of registration to transact
35 business in this state by delivering by hand to the Secretary of
36 State, or to any person employed in the Secretary of State's office
37 in the capacity of assistant or deputy, one copy of the process for
38 each defendant to be served, together with a copy of the order
39 authorizing the service. Service in this manner shall be deemed

1 complete on the 10th day after delivery of the process to the
2 Secretary of State.

3 (2) Upon receipt of any such copy of process and the fee
4 therefor, the Secretary of State shall give notice of the service of
5 the process to the limited partnership or foreign limited partnership,
6 at its principal office, by forwarding to that office, by registered
7 mail with request for return receipt, the copy of the process.

8 (3) The Secretary of State shall keep a record of all process
9 served upon the Secretary of State under this chapter and shall
10 record therein the time of service and the Secretary of State's action
11 with reference thereto. A certificate under the Secretary of State's
12 official seal, certifying to the receipt of process, the giving of notice
13 thereof to the limited partnership or foreign limited partnership,
14 and the forwarding of the process pursuant to this section, shall
15 be competent and prima facie evidence of the matters stated therein.

16 (d) (1) The certificate of a limited partnership and the
17 application for a certificate of registration of a foreign limited
18 partnership shall designate, as the agent for service of process, an
19 individual residing in this state or a corporation which has complied
20 with Section 1505 of the Corporations Code and whose capacity
21 to act as an agent has not terminated. If an individual is designated,
22 the statement shall set forth that person's complete business or
23 residence street address in this state. If a corporate agent is
24 designated, no address for it shall be set forth.

25 (2) An agent designated for service of process may file with the
26 Secretary of State a signed and acknowledged written statement
27 of resignation as an agent. Thereupon the authority of the agent to
28 act in that capacity shall cease and the Secretary of State forthwith
29 shall give written notice of the filing of the certificate of resignation
30 by mail to the limited partnership or foreign limited partnership
31 addressed to its designated office.

32 (3) If an individual who has been designated agent for service
33 of process dies or resigns or no longer resides in the state or if the
34 corporate agent for that purpose, resigns, dissolves, withdraws
35 from the state, forfeits its right to transact intrastate business, has
36 its corporate rights, powers and privileges suspended or ceases to
37 exist, (A) the limited partnership shall promptly file an amendment
38 to the certificate designating a new agent or (B) the foreign limited
39 partnership shall promptly file an amendment to the application
40 for registration.

1 (e) In addition to any other discovery rights which may exist,
2 in any case pending in a California court having jurisdiction in
3 which a party seeks records from a partnership formed under this
4 chapter, whether or not the partnership is a party, the court shall
5 have the power to order the production in California of the books
6 and records of the partnership on the terms and conditions that the
7 court deems appropriate.

8 SEC. 21. Section 15902.01 of the Corporations Code is
9 amended to read:

10 15902.01. (a) In order for a limited partnership to be formed,
11 a certificate of limited partnership must be filed with and on a form
12 prescribed by the Secretary of State and, either before or after the
13 filing of a certificate of limited partnership, the partners shall have
14 entered into a partnership agreement. The certificate must state:

15 (1) the name of the limited partnership, which shall comply with
16 Section 15901.08;

17 (2) the street address of the initial designated office;

18 (3) the name and street address of the initial agent for service
19 of process in accordance with paragraph (1) of subdivision (d) of
20 Section 15901.16;

21 (4) the name and the address of each general partner; and

22 (5) the mailing address of the limited partnership, if different
23 from the address of the initial designated office.

24 (b) A certificate of limited partnership may also contain any
25 other matters but may not vary or otherwise affect the provisions
26 specified in subdivision (b) of Section 15901.10 in a manner
27 inconsistent with that section.

28 (c) Subject to subdivision (c) of Section 15902.06 a limited
29 partnership is formed when the Secretary of State files the
30 certificate of limited partnership.

31 (d) Subject to subdivision (b), if any provision of a partnership
32 agreement is inconsistent with the filed certificate of limited
33 partnership or with a filed certificate of dissociation, cancellation,
34 or amendment or filed certificate of conversion or merger:

35 (1) the partnership agreement prevails as to partners and
36 transferees; and

37 (2) the filed certificate of limited partnership, certificate of
38 dissociation, cancellation, or amendment or filed certificate of
39 conversion or merger prevails as to persons, other than partners

1 and transferees, that reasonably rely on the filed record to their
2 detriment.

3 (e) A limited partnership may record in the office of the county
4 recorder of any county in this state a certified copy of the certificate
5 of limited partnership, or any amendment thereto, which has been
6 filed by the Secretary of State. A foreign limited partnership may
7 record in the office of the county recorder of any county in the
8 state a certified copy of the application for registration to transact
9 business, together with the certificate of registration, referred to
10 in Section 15909.02, or any amendment thereto, which has been
11 filed by the Secretary of State. The recording shall create a
12 conclusive presumption in favor of any bona fide purchaser or
13 encumbrancer for value of the partnership real property located in
14 the county in which the certified copy has been recorded, that the
15 persons named as general partners therein are the general partners
16 of the partnership named and that they are all of the general
17 partners of the partnership.

18 (f) The Secretary of State may cancel the filing of certificates
19 of limited partnership if a check or other remittance accepted in
20 payment of the filing fee is not paid upon presentation. For partners
21 and transferees, the partnership agreement is paramount. Upon
22 receiving written notification that the item presented for payment
23 has not been honored for payment, the Secretary of State shall give
24 a first written notice of the applicability of this section to the agent
25 for service of process or to the person submitting the instrument.
26 Thereafter, if the amount has not been paid by cashier's check or
27 equivalent, the Secretary of State shall give a second written notice
28 of cancellation and the cancellation shall thereupon be effective.
29 The second notice shall be given 20 days or more after the first
30 notice and 90 days or less after the original filing.

31 (g) The Secretary of State shall include with instructional
32 materials, provided in conjunction with the form for filing a
33 certificate of limited partnership under subdivision (a), a notice
34 that the filing of the certificate of limited partnership will obligate
35 the limited partnership to pay an annual tax for that taxable year
36 to the Franchise Tax Board pursuant to Section 17935 of the
37 Revenue and Taxation Code. That notice shall be updated annually
38 to specify the dollar amount of the annual tax.

39 SEC. 22. Section 15909.02 of the Corporations Code is
40 amended to read:

1 15909.02. (a) A foreign limited partnership may apply for a
2 certificate of registration to transact business in this state by
3 delivering an application signed and acknowledged by a general
4 partner of the foreign limited partnership to, and on a form
5 prescribed by, the Secretary of State for filing. The application
6 must state:

7 (1) the name of the foreign limited partnership and, if the name
8 does not comply with Section 15901.08, an alternate name adopted
9 pursuant to subdivision (a) of Section 15909.05;:

10 (2) the name of the state or other jurisdiction under whose law
11 the foreign limited partnership is organized and the date of its
12 formation;

13 (3) the street address of the foreign limited partnership's
14 designated office and, if the laws of the jurisdiction under which
15 the foreign limited partnership is organized require the foreign
16 limited partnership to maintain an office in that jurisdiction, the
17 address of the required office;

18 (4) the mailing address of the foreign limited partnership's
19 designated office, if different from the street address;:

20 (5) the name and street address of the foreign limited
21 partnership's initial agent for service of process in this state in
22 accordance with paragraph (1) of subdivision (d) of Section
23 15901.16;

24 (6) the name and address of each of the foreign limited
25 partnership's general partners; and

26 (7) whether the foreign limited partnership is a foreign limited
27 liability limited partnership.

28 (b) A foreign limited partnership shall deliver with the
29 completed application a certificate of existence or a record of
30 similar import signed by the Secretary of State or other official
31 having custody of the foreign limited partnership's publicly filed
32 records in the state or other jurisdiction under whose law the
33 foreign limited partnership is organized.

34 SEC. 23. Section 16303 of the Corporations Code is amended
35 to read:

36 16303. (a) A partnership may file a statement of partnership
37 authority, which is subject to all of the following:

38 (1) The statement shall include all of the following:

39 (A) The name of the partnership.

1 (B) The street address of its chief executive office and of one
2 office in this state, if there is one.

3 (C) The mailing address of its chief executive office, if different
4 from the street addresses specified pursuant to subparagraph (B).

5 (D) The names and mailing addresses of all of the partners or
6 of an agent appointed and maintained by the partnership for the
7 purpose of subdivision (b).

8 (E) The names of the partners authorized to execute an
9 instrument transferring real property held in the name of the
10 partnership.

11 (2) The statement may specify the authority, or limitations on
12 the authority, of some or all of the partners to enter into other
13 transactions on behalf of the partnership and any other matter.

14 (b) If a statement of partnership authority names an agent, the
15 agent shall maintain a list of the names and mailing addresses of
16 all of the partners and make it available to any person on request
17 for good cause shown.

18 (c) If a filed statement of partnership authority is executed
19 pursuant to subdivision (c) of Section 16105 and states the name
20 of the partnership but does not contain all of the other information
21 required by subdivision (a), the statement nevertheless operates
22 with respect to a person not a partner as provided in subdivisions
23 (d) and (e).

24 (d) A filed statement of partnership authority supplements the
25 authority of a partner to enter into transactions on behalf of the
26 partnership as follows:

27 (1) Except for transfers of real property, a grant of authority
28 contained in a filed statement of partnership authority is conclusive
29 in favor of a person who gives value without knowledge to the
30 contrary, so long as and to the extent that a limitation on that
31 authority is not then contained in another filed statement. A filed
32 cancellation of a limitation on authority revives the previous grant
33 of authority.

34 (2) A grant of authority to transfer real property held in the name
35 of the partnership contained in a certified copy of a filed statement
36 of partnership authority recorded in the office for recording
37 transfers of that real property is conclusive in favor of a person
38 who gives value without knowledge to the contrary, so long as and
39 to the extent that a certified copy of a filed statement containing
40 a limitation on that authority is not then of record in the office for

1 recording transfers of that real property. The recording in the office
2 for recording transfers of that real property of a certified copy of
3 a filed cancellation of a limitation on authority revives the previous
4 grant of authority.

5 (e) A person not a partner is deemed to know of a limitation on
6 the authority of a partner to transfer real property held in the name
7 of the partnership if a certified copy of the filed statement
8 containing the limitation on authority is of record in the office for
9 recording transfers of that real property.

10 (f) Except as otherwise provided in subdivisions (d) and (e) and
11 Sections 16704 and 16805, a person not a partner is not deemed
12 to know of a limitation on the authority of a partner merely because
13 the limitation is contained in a filed statement.

14 SEC. 24. Section 16309 of the Corporations Code is amended
15 to read:

16 16309. (a) The statement of partnership authority may
17 designate an agent for service of process. The agent may be an
18 individual residing in this state or a corporation that has complied
19 with Section 1505 and whose capacity to act as an agent has not
20 terminated. If an individual is designated, the statement shall
21 include that person's complete business or residence street address
22 in this state. If a corporate agent is designated, no address for that
23 agent shall be set forth.

24 (b) An agent designated for service of process may file with the
25 Secretary of State a signed and acknowledged written statement
26 of resignation as an agent. On filing of the statement of resignation,
27 the authority of the agent to act in that capacity shall cease and the
28 Secretary of State shall give written notice of the filing of the
29 statement of resignation by mail to the partnership, addressed to
30 its principal executive office.

31 (c) If an individual who has been designated agent for service
32 of process dies or resigns or no longer resides in the state, or if the
33 corporate agent for that purpose resigns, dissolves, withdraws from
34 the state, forfeits its right to transact intrastate business, has its
35 corporate rights, powers, and privileges suspended, or ceases to
36 exist, the partnership or foreign partnership shall promptly file an
37 amended statement of partnership authority, designating a new
38 agent.

39 SEC. 25. Section 16953 of the Corporations Code is amended
40 to read:

1 16953. (a) To become a registered limited liability partnership,
2 a partnership, other than a limited partnership, shall file with the
3 Secretary of State a registration, executed by one or more partners
4 authorized to execute a registration, stating all of the following:

5 (1) The name of the partnership.
6 (2) The street address of its principal office.
7 (3) The mailing address of its principal office, if different from
8 the street address.

9 (4) The name and street address of the agent for service of
10 process on the limited liability partnership in California in
11 accordance with subdivision (a) of Section 16309.

12 (5) A brief statement of the business in which the partnership
13 engages.

14 (6) Any other matters that the partnership determines to include.

15 (7) That the partnership is registering as a registered limited
16 liability partnership.

17 (b) The registration shall be accompanied by a fee as set forth
18 in subdivision (a) of Section 12189 of the Government Code.

19 (c) The Secretary of State shall register as a registered limited
20 liability partnership any partnership that submits a completed
21 registration with the required fee.

22 (d) The Secretary of State may cancel the filing of the
23 registration if a check or other remittance accepted in payment of
24 the filing fee is not paid upon presentation. Upon receiving written
25 notification that the item presented for payment has not been
26 honored for payment, the Secretary of State shall give a first written
27 notice of the applicability of this section to the agent for service
28 of process or to the person submitting the instrument. Thereafter,
29 if the amount has not been paid by cashier's check or equivalent,
30 the Secretary of State shall give a second written notice of
31 cancellation and the cancellation shall thereupon be effective. The
32 second notice shall be given 20 days or more after the first notice
33 and 90 days or less after the date of the original filing.

34 (e) A partnership becomes a registered limited liability
35 partnership at the time of the filing of the initial registration with
36 the Secretary of State or at any later date or time specified in the
37 registration and the payment of the fee required by subdivision
38 (b). A partnership continues as a registered limited liability
39 partnership until a notice that it is no longer a registered limited
40 liability partnership has been filed pursuant to subdivision (b) of

1 Section 16954 or, if applicable, until it has been dissolved and
2 finally wound up. The status of a partnership as a registered limited
3 liability partnership and the liability of a partner of the registered
4 limited liability partnership shall not be adversely affected by
5 errors or subsequent changes in the information stated in a
6 registration under subdivision (a) or an amended registration or
7 notice under Section 16954.

8 (f) The fact that a registration or amended registration pursuant
9 to this section is on file with the Secretary of State is notice that
10 the partnership is a registered limited liability partnership and of
11 those other facts contained therein that are required to be set forth
12 in the registration or amended registration.

13 (g) The Secretary of State shall provide a form for a registration
14 under subdivision (a), which shall include the form for confirming
15 compliance with the optional security requirement pursuant to
16 subdivision (c) of Section 16956. The Secretary of State shall
17 include with instructional materials provided in conjunction with
18 the form for a registration under subdivision (a) a notice that filing
19 the registration will obligate the limited liability partnership to pay
20 an annual tax for that taxable year to the Franchise Tax Board
21 pursuant to Section 17948 of the Revenue and Taxation Code.
22 That notice shall be updated annually to specify the dollar amount
23 of the tax.

24 (h) A limited liability partnership providing professional limited
25 liability partnership services in this state shall comply with all
26 statutory and administrative registration or filing requirements of
27 the state board, commission, or other agency that prescribes the
28 rules and regulations governing the particular profession in which
29 the partnership proposes to engage, pursuant to the applicable
30 provisions of the Business and Professions Code relating to that
31 profession. The state board, commission, or other agency shall not
32 disclose, unless compelled by a subpoena or other order of a court
33 of competent jurisdiction, any information it receives in the course
34 of evaluating the compliance of a limited liability partnership with
35 applicable statutory and administrative registration or filing
36 requirements, provided that nothing in this section shall be
37 construed to prevent a state board, commission, or other agency
38 from disclosing the manner in which the limited liability
39 partnership has complied with the requirements of Section 16956,
40 or the compliance or noncompliance by the limited liability

1 partnership with any other requirements of the state board,
2 commission, or other agency.

3 SEC. 26. Section 16959 of the Corporations Code, as amended
4 by Section 9 of Chapter 634 of the Statutes of 2010, is amended
5 to read:

6 16959. (a) (1) Before transacting intrastate business in this
7 state, a foreign limited liability partnership shall comply with all
8 statutory and administrative registration or filing requirements of
9 the state board, commission, or agency that prescribes the rules
10 and regulations governing a particular profession in which the
11 partnership proposes to be engaged, pursuant to the applicable
12 provisions of the Business and Professions Code relating to the
13 profession or applicable rules adopted by the governing board. A
14 foreign limited liability partnership that transacts intrastate business
15 in this state shall within 30 days after the effective date of the act
16 enacting this section or the date on which the foreign limited
17 liability partnership first transacts intrastate business in this state,
18 whichever is later, register with the Secretary of State by submitting
19 to the Secretary of State an application for registration as a foreign
20 limited liability partnership, signed by a person with authority to
21 do so under the laws of the jurisdiction of formation of the foreign
22 limited liability partnership, stating the name of the partnership,
23 the street address of its principal office, the mailing address of the
24 principal office if different from the street address, the name and
25 street address of its agent for service of process in this state in
26 accordance with subdivision (a) of Section 16309, a brief statement
27 of the business in which the partnership engages, and any other
28 matters that the partnership determines to include.

29 (2) Annexed to the application for registration shall be a
30 certificate from an authorized public official of the foreign limited
31 liability partnership's jurisdiction of organization to the effect that
32 the foreign limited liability partnership is in good standing in that
33 jurisdiction, if the laws of that jurisdiction permit the issuance of
34 those certificates, or, in the alternative, a statement by the foreign
35 limited liability partnership that the laws of its jurisdiction of
36 organization do not permit the issuance of those certificates.

37 (b) The registration shall be accompanied by a fee as set forth
38 in subdivision (b) of Section 12189 of the Government Code.

1 (c) The Secretary of State shall register as a foreign limited
2 liability partnership any partnership that submits a completed
3 application for registration with the required fee.

4 (d) The Secretary of State may cancel the filing of the
5 registration if a check or other remittance accepted in payment of
6 the filing fee is not paid upon presentation. Upon receiving written
7 notification that the item presented for payment has not been
8 honored for payment, the Secretary of State shall give a first written
9 notice of the applicability of this section to the agent for service
10 of process or to the person submitting the instrument. Thereafter,
11 if the amount has not been paid by cashier's check or equivalent,
12 the Secretary of State shall give a second written notice of
13 cancellation and the cancellation shall thereupon be effective. The
14 second notice shall be given 20 days or more after the first notice
15 and 90 days or less after the original filing.

16 (e) A partnership becomes registered as a foreign limited liability
17 partnership at the time of the filing of the initial registration with
18 the Secretary of State or at any later date or time specified in the
19 registration and the payment of the fee required by subdivision
20 (b). A partnership continues to be registered as a foreign limited
21 liability partnership until a notice that it is no longer so registered
22 as a *foreign* limited liability partnership has been filed pursuant to
23 Section 16960 or, if applicable, once it has been dissolved and
24 finally wound up. The status of a partnership registered as a foreign
25 limited liability partnership and the liability of a partner of that
26 foreign limited liability partnership shall not be adversely affected
27 by errors or subsequent changes in the information stated in an
28 application for registration under subdivision (a) or an amended
29 registration or notice under Section 16960.

30 (f) The fact that a registration or amended registration pursuant
31 to Section 16960 is on file with the Secretary of State is notice that
32 the partnership is a foreign limited liability partnership and of those
33 other facts contained therein that are required to be set forth in the
34 registration or amended registration.

35 (g) The Secretary of State shall provide a form for a registration
36 under subdivision (a), which shall include the form for confirming
37 compliance with the optional security requirement pursuant to
38 subdivision (c) of Section 16956. The Secretary of State shall
39 include with instructional materials, provided in conjunction with
40 the form for registration under subdivision (a), a notice that filing

1 the registration will obligate the limited liability partnership to pay
2 an annual tax for that taxable year to the Franchise Tax Board
3 pursuant to Section 17948 of the Revenue and Taxation Code.
4 That notice shall be updated annually to specify the dollar amount
5 of this tax.

6 (h) A foreign limited liability partnership transacting intrastate
7 business in this state shall not maintain any action, suit, or
8 proceeding in any court of this state until it has registered in this
9 state pursuant to this section.

10 (i) Any foreign limited liability partnership that transacts
11 intrastate business in this state without registration is subject to a
12 penalty of twenty dollars (\$20) for each day that unauthorized
13 intrastate business is transacted, up to a maximum of ten thousand
14 dollars (\$10,000).

15 (j) A partner of a foreign limited liability partnership is not liable
16 for the debts or obligations of the foreign limited liability
17 partnership solely by reason of its having transacted business in
18 this state without registration.

19 (k) A foreign limited liability partnership, transacting business
20 in this state without registration, appoints the Secretary of State
21 as its agent for service of process with respect to causes of action
22 arising out of the transaction of business in this state.

23 (l) “Transact intrastate business” as used in this section means
24 to repeatedly and successively provide professional limited liability
25 partnership services in this state, other than in interstate or foreign
26 commerce.

27 (m) Without excluding other activities that may not be
28 considered to be transacting intrastate business, a foreign limited
29 liability partnership shall not be considered to be transacting
30 intrastate business merely because its subsidiary or affiliate
31 transacts intrastate business, or merely because of its status as any
32 one or more of the following:

33 (1) A shareholder of a domestic corporation.

34 (2) A shareholder of a foreign corporation transacting intrastate
35 business.

36 (3) A limited partner of a foreign limited partnership transacting
37 intrastate business.

38 (4) A limited partner of a domestic limited partnership.

39 (5) A member or manager of a foreign limited liability company
40 transacting intrastate business.

1 (6) A member or manager of a domestic limited liability
2 company.

3 (n) Without excluding other activities that may not be considered
4 to be transacting intrastate business, a foreign limited liability
5 partnership shall not be considered to be transacting intrastate
6 business within the meaning of this subdivision solely by reason
7 of carrying on in this state any one or more of the following
8 activities:

9 (1) Maintaining or defending any action or suit or any
10 administrative or arbitration proceeding, or effecting the settlement
11 thereof or the settlement of claims or disputes.

12 (2) Holding meetings of its partners or carrying on any other
13 activities concerning its internal affairs.

14 (3) Maintaining bank accounts.

15 (4) Maintaining offices or agencies for the transfer, exchange,
16 and registration of the foreign limited liability partnership's
17 securities or maintaining trustees or depositories with respect to
18 those securities.

19 (5) Effecting sales through independent contractors.

20 (6) Soliciting or procuring orders, whether by mail or through
21 employees or agents or otherwise, where those orders require
22 acceptance without this state before becoming binding contracts.

23 (7) Creating or acquiring evidences of debt or mortgages, liens,
24 or security interest in real or personal property.

25 (8) Securing or collecting debts or enforcing mortgages and
26 security interests in property securing the debts.

27 (9) Conducting an isolated transaction that is completed within
28 180 days and not in the course of a number of repeated transactions
29 of a like nature.

30 (o) A person shall not be deemed to be transacting intrastate
31 business in this state merely because of its status as a partner of a
32 registered limited liability partnership or a foreign limited liability
33 company whether or not registered to transact intrastate business
34 in this state.

35 (p) The Attorney General may bring an action to restrain a
36 foreign limited liability partnership from transacting intrastate
37 business in this state in violation of this chapter.

38 (q) Nothing in this section is intended to, or shall, augment,
39 diminish, or otherwise alter existing provisions of law, statutes,
40 or court rules relating to services by a California architect,

1 California public accountant, California engineer, California land
2 surveyor, or California attorney in another jurisdiction, or services
3 by an out-of-state architect, out-of-state public accountant,
4 out-of-state engineer, out-of-state land surveyor, or out-of-state
5 attorney in California.

6 (r) This section shall remain in effect only until January 1, 2016,
7 and as of that date is repealed, unless a later enacted statute, that
8 is enacted before January 1, 2016, deletes or extends that date.

9 SEC. 27. Section 16959 of the Corporations Code, as added
10 by Section 10 of Chapter 634 of the Statutes of 2010, is amended
11 to read:

12 16959. (a) (1) Before transacting intrastate business in this
13 state, a foreign limited liability partnership shall comply with all
14 statutory and administrative registration or filing requirements of
15 the state board, commission, or agency that prescribes the rules
16 and regulations governing a particular profession in which the
17 partnership proposes to be engaged, pursuant to the applicable
18 provisions of the Business and Professions Code relating to the
19 profession or applicable rules adopted by the governing board. A
20 foreign limited liability partnership that transacts intrastate business
21 in this state shall within 30 days after the effective date of the act
22 enacting this section or the date on which the foreign limited
23 liability partnership first transacts intrastate business in this state,
24 whichever is later, register with the Secretary of State by submitting
25 to the Secretary of State an application for registration as a foreign
26 limited liability partnership, signed by a person with authority to
27 do so under the laws of the jurisdiction of formation of the foreign
28 limited liability partnership, stating the name of the partnership,
29 the street address of its principal office, the mailing address of the
30 principal office if different from the street address, the name and
31 street address of its agent for service of process in this state in
32 accordance with subdivision (a) of Section 16309, a brief statement
33 of the business in which the partnership engages, and any other
34 matters that the partnership determines to include.

35 (2) Annexed to the application for registration shall be a
36 certificate from an authorized public official of the foreign limited
37 liability partnership's jurisdiction of organization to the effect that
38 the foreign limited liability partnership is in good standing in that
39 jurisdiction, if the laws of that jurisdiction permit the issuance of
40 those certificates, or, in the alternative, a statement by the foreign

1 limited liability partnership that the laws of its jurisdiction of
2 organization do not permit the issuance of those certificates.

3 (b) The registration shall be accompanied by a fee as set forth
4 in subdivision (b) of Section 12189 of the Government Code.

5 (c) The Secretary of State shall register as a foreign limited
6 liability partnership any partnership that submits a completed
7 application for registration with the required fee.

8 (d) The Secretary of State may cancel the filing of the
9 registration if a check or other remittance accepted in payment of
10 the filing fee is not paid upon presentation. Upon receiving written
11 notification that the item presented for payment has not been
12 honored for payment, the Secretary of State shall give a first written
13 notice of the applicability of this section to the agent for service
14 of process or to the person submitting the instrument. Thereafter,
15 if the amount has not been paid by cashier's check or equivalent,
16 the Secretary of State shall give a second written notice of
17 cancellation and the cancellation shall thereupon be effective. The
18 second notice shall be given 20 days or more after the first notice
19 and 90 days or less after the original filing.

20 (e) A partnership becomes registered as a foreign limited liability
21 partnership at the time of the filing of the initial registration with
22 the Secretary of State or at any later date or time specified in the
23 registration and the payment of the fee required by subdivision
24 (b). A partnership continues to be registered as a foreign limited
25 liability partnership until a notice that it is no longer so registered
26 as a *foreign* limited liability partnership has been filed pursuant to
27 Section 16960 or, if applicable, once it has been dissolved and
28 finally wound up. The status of a partnership registered as a foreign
29 limited liability partnership and the liability of a partner of that
30 foreign limited liability partnership shall not be adversely affected
31 by errors or subsequent changes in the information stated in an
32 application for registration under subdivision (a) or an amended
33 registration or notice under Section 16960.

34 (f) The fact that a registration or amended registration pursuant
35 to Section 16960 is on file with the Secretary of State is notice that
36 the partnership is a foreign limited liability partnership and of those
37 other facts contained therein that are required to be set forth in the
38 registration or amended registration.

39 (g) The Secretary of State shall provide a form for a registration
40 under subdivision (a), which shall include the form for confirming

1 compliance with the optional security requirement pursuant to
2 subdivision (c) of Section 16956. The Secretary of State shall
3 include with instructional materials, provided in conjunction with
4 the form for registration under subdivision (a), a notice that filing
5 the registration will obligate the limited liability partnership to pay
6 an annual tax for that taxable year to the Franchise Tax Board
7 pursuant to Section 17948 of the Revenue and Taxation Code.
8 That notice shall be updated annually to specify the dollar amount
9 of this tax.

10 (h) A foreign limited liability partnership transacting intrastate
11 business in this state shall not maintain any action, suit, or
12 proceeding in any court of this state until it has registered in this
13 state pursuant to this section.

14 (i) Any foreign limited liability partnership that transacts
15 intrastate business in this state without registration is subject to a
16 penalty of twenty dollars (\$20) for each day that unauthorized
17 intrastate business is transacted, up to a maximum of ten thousand
18 dollars (\$10,000).

19 (j) A partner of a foreign limited liability partnership is not liable
20 for the debts or obligations of the foreign limited liability
21 partnership solely by reason of its having transacted business in
22 this state without registration.

23 (k) A foreign limited liability partnership, transacting business
24 in this state without registration, appoints the Secretary of State
25 as its agent for service of process with respect to causes of action
26 arising out of the transaction of business in this state.

27 (l) "Transact intrastate business" as used in this section means
28 to repeatedly and successively provide professional limited liability
29 partnership services in this state, other than in interstate or foreign
30 commerce.

31 (m) Without excluding other activities that may not be
32 considered to be transacting intrastate business, a foreign limited
33 liability partnership shall not be considered to be transacting
34 intrastate business merely because its subsidiary or affiliate
35 transacts intrastate business, or merely because of its status as any
36 one or more of the following:

37 (1) A shareholder of a domestic corporation.

38 (2) A shareholder of a foreign corporation transacting intrastate
39 business.

1 (3) A limited partner of a foreign limited partnership transacting
2 intrastate business.

3 (4) A limited partner of a domestic limited partnership.

4 (5) A member or manager of a foreign limited liability company
5 transacting intrastate business.

6 (6) A member or manager of a domestic limited liability
7 company.

8 (n) Without excluding other activities that may not be considered
9 to be transacting intrastate business, a foreign limited liability
10 partnership shall not be considered to be transacting intrastate
11 business within the meaning of this subdivision solely by reason
12 of carrying on in this state any one or more of the following
13 activities:

14 (1) Maintaining or defending any action or suit or any
15 administrative or arbitration proceeding, or effecting the settlement
16 thereof or the settlement of claims or disputes.

17 (2) Holding meetings of its partners or carrying on any other
18 activities concerning its internal affairs.

19 (3) Maintaining bank accounts.

20 (4) Maintaining offices or agencies for the transfer, exchange,
21 and registration of the foreign limited liability partnership's
22 securities or maintaining trustees or depositories with respect to
23 those securities.

24 (5) Effecting sales through independent contractors.

25 (6) Soliciting or procuring orders, whether by mail or through
26 employees or agents or otherwise, where those orders require
27 acceptance without this state before becoming binding contracts.

28 (7) Creating or acquiring evidences of debt or mortgages, liens,
29 or security interest in real or personal property.

30 (8) Securing or collecting debts or enforcing mortgages and
31 security interests in property securing the debts.

32 (9) Conducting an isolated transaction that is completed within
33 180 days and not in the course of a number of repeated transactions
34 of a like nature.

35 (o) A person shall not be deemed to be transacting intrastate
36 business in this state merely because of its status as a partner of a
37 registered limited liability partnership or a foreign limited liability
38 company whether or not registered to transact intrastate business
39 in this state.

(p) The Attorney General may bring an action to restrain a foreign limited liability partnership from transacting intrastate business in this state in violation of this chapter.

(q) Nothing in this section is intended to, or shall, augment, diminish, or otherwise alter existing provisions of law, statutes, or court rules relating to services by a California architect, California public accountant, or California attorney in another jurisdiction, or services by an out-of-state architect, out-of-state public accountant, or out-of-state attorney in California.

(r) This section shall become operative on January 1, 2016.

SEC. 28. Section 17051 of the Corporations Code is amended to read:

17051. (a) The articles of organization shall set forth:

(1) The name of the limited liability company.

(2) The following statement:

“The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the Beverly-Killea Limited Liability Company Act.”

(3) [RESERVED]

(4) The name and street address of the initial agent for service of process on the limited liability company who meets the qualifications specified in paragraph (1) of subdivision (b) of Section 17061, unless a corporate agent is designated, in which case only the name of the agent shall be set forth.

(5) The street address of the limited liability company.

(6) The mailing address of the limited liability company, if different from the street address.

(7) If the limited liability company is to be managed by one or more managers and not by all its members, the statement referred to in subdivision (b) of Section 17151. If the limited liability company is to be managed by only one manager, the articles of organization shall contain a statement to that effect.

(b) It is not necessary to set out in the articles of organization any of the powers of a limited liability company enumerated in this title.

(c) The articles of organization may contain any other provision not inconsistent with law, including, but not limited to:

1 (1) A provision limiting or restricting the business in which the
2 limited liability company may engage or the powers that the limited
3 liability company may exercise or both.

4 (2) Provisions governing the admission of members to the
5 limited liability company.

6 (3) The time at which the limited liability company is to
7 dissolve.

8 (4) Any events that will cause a dissolution of the limited
9 liability company.

10 (5) A statement of whether there are limitations on the authority
11 of managers or members to bind the limited liability company,
12 and, if so, what the limitations are.

13 (6) The names of the managers of the limited liability company.

14 (d) No limitation upon the business, purposes, or powers of the
15 limited liability company contained in or implied by the articles
16 of organization or the operating agreement may be asserted by any
17 person, except in one of the following types of proceedings:

18 (1) In a proceeding by a member or the state to enjoin the doing
19 of unauthorized business by the limited liability company or its
20 managers or officers, if third parties have not acquired rights
21 thereby.

22 (2) In a proceeding to dissolve the limited liability company.

23 (3) In a derivative proceeding by the limited liability company
24 or by a member suing on the company's behalf against the officers
25 or managers of the limited liability company for violation of their
26 authority. However, the limitation may not be asserted if the person
27 asserting the limitation had actual knowledge of the limitation at
28 the time of the act or event complained of.

29 (e) The Secretary of State may cancel the filing of articles of
30 organization if a check or other remittance accepted in payment
31 of the filing fee is not paid upon presentation. Upon receiving
32 written notification that the item presented for payment has not
33 been honored for payment, the Secretary of State shall give a first
34 written notice of the applicability of this section to the agent for
35 service of process or to the person submitting the instrument.
36 Thereafter, if the amount has not been paid by cashier's check or
37 equivalent, the Secretary of State shall give a second written notice
38 of cancellation and the cancellation shall be effective at that time.
39 The second notice shall be given 20 days or more after the first
40 notice and 90 days or less after the original filing.

1 SEC. 29. Section 17054 of the Corporations Code is amended
2 to read:

3 17054. (a) Subject to subdivision (b) of Section 17103, the
4 articles of organization may be amended at any time and in any
5 manner as the members may determine, as long as the articles of
6 organization as amended contain only those provisions as it would
7 be lawful to insert in original articles of organization filed at the
8 time of the filing of the amendment. The articles of organization
9 may be amended regardless of whether any provision contained
10 in the amendment was permissible at the time of the original
11 organization of the limited liability company.

12 (b) The articles of organization shall be amended by filing a
13 certificate of amendment thereto duly executed by at least one
14 manager, unless a greater number is provided in the articles of
15 organization. The certificate of amendment shall be filed with, and
16 on a form prescribed by, the Secretary of State, and shall set forth
17 all of the following:

18 (1) The name and the Secretary of State's file number of the
19 limited liability company.

20 (2) The text of the amendment to the articles of organization.

21 (c) A limited liability company shall not amend its articles of
22 organization to alter any statement that may appear in the original
23 articles of organization of the street address; *and* mailing address
24 *of the limited liability company*, or name and address of the initial
25 agent for service of process, except to correct an error in the
26 statement or to delete the information after filing a statement
27 pursuant to Section 17060. A certificate of amendment to the
28 articles of organization shall be filed to effect any of the following:

29 (1) A change in the name of the limited liability company.

30 (2) Any change in the statement referred to in subdivision (b)
31 of Section 17151.

32 (3) Any change in the time as stated in the articles of
33 organization for the dissolution of the limited liability company.

34 (4) Any change in the events that will cause a dissolution of the
35 limited liability company.

36 (d) The managers shall cause to be filed a certificate of
37 amendment to the articles of organization within 30 days of the
38 discovery by any of the managers of any false or erroneous material
39 statement contained in the articles of organization or any
40 amendment thereto.

1 (e) Any manager who executes a certificate of amendment shall
2 be liable for any statement materially inconsistent with the
3 operating agreement or any material misstatement of fact contained
4 in the certificate of amendment if the manager knew or should
5 have known that the statement was false when made or that the
6 statement became false and an amendment required by subdivision
7 (d) was not filed, and the person suffering the loss relied on the
8 statement or misstatement.

9 (f) Articles of organization may be restated at any time. Restated
10 articles of organization shall be filed with, and on a form prescribed
11 by, the Secretary of State, shall be specifically designated as
12 restated in the heading, shall set forth the limited liability
13 company's name and the Secretary of State's file number, and may
14 set forth any other matters that may be set forth as authorized by
15 Section 17051, except that if the limited liability company has
16 filed the statement required by Section 17060, the street address;
17 *and mailing address of the limited liability company*, and name
18 and address of the agent for service of process shall not be set
19 forth. If the name of the limited liability company is to be changed
20 by the filing of the restated articles of organization, the old name
21 shall also be set forth in the heading in a manner to indicate the
22 intent to change the name.

23 SEC. 30. Section 17060 of the Corporations Code is amended
24 to read:

25 17060. (a) Every limited liability company and every foreign
26 limited liability company registered to transact intrastate business
27 in this state shall file within 90 days after the filing of its original
28 articles of organization and biennially thereafter during the
29 applicable filing period, on a form prescribed by the Secretary of
30 State, a statement containing:

31 (1) The name of the limited liability company and the Secretary
32 of State's file number and, in the case of a foreign limited liability
33 company, the state under the laws of which it is organized.

34 (2) The name and street address of the agent for service of
35 process required to be maintained pursuant to subdivision (b) of
36 Section 17057. If a corporate agent is designated, only the name
37 of the agent shall be set forth.

38 (3) The street address of its principal executive office and, in
39 the case of a domestic limited liability company, of the office
40 required to be maintained pursuant to Section 17057.

1 (4) The mailing address of the limited liability company, if
2 different from the street address of its principal executive office.

3 (5) The name and complete business or residence addresses of
4 any manager or managers and the chief executive officer, if any,
5 appointed or elected in accordance with the articles of organization
6 or operating agreement or, if no manager has been so elected or
7 appointed, the name and business or residence address of each
8 member.

9 (6) If the limited liability company chooses to receive renewal
10 notices and any other notifications from the Secretary of State by
11 electronic mail instead of by United States mail, the limited liability
12 company shall include a valid electronic mail address for the
13 limited liability company or for the limited liability company's
14 designee to receive those notices.

15 (7) The general type of business that constitutes the principal
16 business activity of the limited liability company (for example,
17 manufacturer of aircraft; wholesale liquor distributor; or retail
18 department store).

19 (b) If there has been no change in the information in the last
20 filed statement of the limited liability company on file in the
21 Secretary of State's office, the limited liability company may, in
22 lieu of filing the statement required by subdivision (a), advise the
23 Secretary of State, on a form prescribed by the Secretary of State,
24 that no changes in the required information have occurred during
25 the applicable filing period.

26 (c) For the purposes of this section, the applicable filing period
27 for a limited liability company shall be the calendar month during
28 which its original articles of organization were filed or, in the case
29 of a foreign limited liability company, the month during which its
30 application for registration was filed, and the immediately
31 preceding five calendar months. The Secretary of State shall
32 provide a notice to each limited liability company to comply with
33 this section approximately three months prior to the close of the
34 applicable filing period. The notice shall state the due date for
35 compliance and shall be sent to the last address of the limited
36 liability company according to the records of the Secretary of State
37 or to the last electronic mail address according to the records of
38 the Secretary of State if the limited liability company has elected
39 to receive notices from the Secretary of State by electronic mail.
40 The failure of the limited liability company to receive the form

1 shall not exempt the limited liability company from complying
2 with this section.

3 (d) Whenever any of the information required by subdivision
4 (a) changes, other than the name and address of the agent for
5 service of process, or whenever the street address, mailing address,
6 or electronic mail address of the limited liability company changes,
7 the limited liability company may file a current statement
8 containing all the information required by subdivision (a).
9 Whenever changing its agent for service of process or whenever
10 the address of the agent changes, or whenever the street address,
11 mailing address, or electronic mail address of the limited liability
12 company changes, the limited liability company shall file a current
13 statement containing all the information required by subdivision
14 (a). Whenever any statement is filed pursuant to this section, that
15 statement supersedes any previously filed statement pursuant to
16 this section, the statement in the original articles of organization,
17 and the statement in any previously filed restated articles of
18 organization that have been filed, or in the case of a foreign limited
19 liability company, in the application for registration.

20 (e) The Secretary of State may destroy or otherwise dispose of
21 any statement filed pursuant to this section after it has been
22 superseded by the filing of a new statement.

23 (f) This section shall not be construed to place any person
24 dealing with the limited liability company on notice of, or under
25 any duty to inquire about, the existence or content of a statement
26 filed pursuant to this section.

27 SEC. 31. Section 17062 of the Corporations Code is amended
28 to read:

29 17062. An instrument shall be deemed filed, and the date of
30 filing endorsed thereon, upon receipt by the Secretary of State of
31 any instrument accompanied by the fee prescribed in Chapter 15
32 (commencing with Section 17700). The date of filing shall be the
33 date the instrument is received by the Secretary of State unless the
34 instrument provides that it is to be withheld from filing until a
35 future date not to exceed 90 days from receipt or unless, in the
36 judgment of the Secretary of State, the filing is intended to be
37 coordinated with the filing of some other document that cannot be
38 filed. The Secretary of State shall file a document as of any
39 requested future date not more than 90 days after its receipt,
40 including a Saturday, Sunday, or legal holiday, if that document

1 is received in the Secretary of State's office at least one business
2 day prior to the requested date of filing. Upon receipt and after
3 filing of any document under this title, the Secretary of State may
4 microfilm or reproduce by other techniques any filings or
5 documents and destroy the original filing or document. The
6 microfilm or other reproduction of any document under the
7 provision of this section shall be admissible in any court of law.

8 SEC. 32. Section 17451 of the Corporations Code is amended
9 to read:

10 17451. (a) Before transacting intrastate business in this state,
11 a foreign limited liability company shall register with the Secretary
12 of State. In order to register, a foreign limited liability company
13 shall submit to the Secretary of State an application for registration
14 as a foreign limited liability company, signed by a person with
15 authority to do so under the laws of the state of its organization,
16 on a form prescribed by the Secretary of State and setting forth:

17 (1) The name of the foreign limited liability company and, if
18 different, the name under which it proposes to transact business
19 in this state.

20 (2) The state and date of its organization and a statement that
21 the foreign limited liability company is authorized to exercise its
22 powers and privileges in that state.

23 (3) The name and street address of an agent for service of
24 process on the foreign limited liability company meeting the
25 qualifications specified in paragraph (1) of subdivision (d) of
26 Section 17061, unless a corporate agent is designated, in which
27 case only the name of the agent shall be set forth.

28 (4) A statement that the Secretary of State is appointed the agent
29 of the foreign limited liability company for service of process if
30 the agent has resigned and has not been replaced or if the agent
31 cannot be found or served with the exercise of reasonable diligence.

32 (5) The street address of the principal executive office of the
33 foreign limited liability company and of its principal office in this
34 state, if any.

35 (6) The mailing address of the foreign limited liability company
36 if different from the street address of the principal executive office
37 or principal office in this state.

38 (b) Annexed to the application for registration shall be a
39 certificate from an authorized public official of the foreign limited
40 liability company's jurisdiction of organization to the effect that

1 the foreign limited liability company is in good standing in that
2 jurisdiction, if the laws of that jurisdiction permit the issuance of
3 those certificates; or, in the alternative, a statement by the foreign
4 limited liability company that the laws of its jurisdiction of
5 organization do not permit the issuance of those certificates.

6 (c) The Secretary of State may cancel the application and
7 certificate of registration of a foreign limited liability company if
8 a check or other remittance accepted in payment of the filing fee
9 is not paid upon presentation. Upon receiving written notification
10 that the item presented for payment has not been honored for
11 payment, the Secretary of State shall give a first written notice of
12 the applicability of this section to the agent for service of process
13 or to the person submitting the instrument. Thereafter, if the amount
14 has not been paid by cashier's check or equivalent, the Secretary
15 of State shall give a second written notice of cancellation and the
16 cancellation shall thereupon be effective. The second notice shall
17 be given 20 days or more after the first notice and 90 days or less
18 after the original filing.

19 (d) The Secretary of State shall include with instructional
20 materials, provided in conjunction with registration under
21 subdivision (a), a notice that filing the registration will obligate
22 the limited liability company to pay an annual tax to the Franchise
23 Tax Board pursuant to Section 17941 of the Revenue and Taxation
24 Code. That notice shall be updated annually to specify the dollar
25 amount of the tax.

26 SEC. 33. Section 17654 of the Corporations Code is amended
27 to read:

28 17654. (a) A limited liability company that (1) fails to file a
29 statement pursuant to Section 17060 for an applicable filing period,
30 (2) has not filed a statement pursuant to Section 17060 during the
31 preceding 24 months, and (3) was certified for penalty pursuant
32 to Section 17653 for the same filing period, shall be subject to
33 suspension pursuant to this section rather than to penalty pursuant
34 to Section 17653.

35 (b) When subdivision (a) is applicable, the Secretary of State
36 shall notify the limited liability company that its powers, rights,
37 and privileges will be suspended after 60 days if it fails to file a
38 statement pursuant to Section 17060.

39 (c) After the expiration of the 60-day period without any
40 statement filed pursuant to Section 17060, the Secretary of State

1 shall notify the Franchise Tax Board of the suspension, and provide
2 a notice of the suspension to the limited liability company and
3 thereupon, except for the purpose of amending the articles of
4 organization to set forth a new name, the powers, rights, and
5 privileges of the limited liability company are suspended.

6 (d) A statement pursuant to Section 17060 may be filed
7 notwithstanding suspension of the powers, rights, and privileges
8 pursuant to this section or Section 23301 or 23301.5 of the Revenue
9 and Taxation Code. Upon the filing of a statement pursuant to
10 Section 17060 by a limited liability company that has suffered
11 suspension pursuant to this section, the Secretary of State shall
12 certify that fact to the Franchise Tax Board and the limited liability
13 company may thereupon be relieved from suspension unless the
14 limited liability company is held in suspension by the Franchise
15 Tax Board by reason of Section 23301 or 23301.5 of the Revenue
16 and Taxation Code.

17 SEC. 34. Section 18200 of the Corporations Code is amended
18 to read:

19 18200. (a) An unincorporated association may file with the
20 Secretary of State, on a form prescribed by the Secretary of State,
21 a statement containing either of the following:

22 (1) A statement designating the location and complete street
23 address of the unincorporated association's principal office in this
24 state. Only one place may be designated.

25 (2) A statement (A) designating the location and complete street
26 address of the unincorporated association's principal office in this
27 state in accordance with paragraph (1) or, if the unincorporated
28 association does not have an office in this state, designating the
29 complete street address and mailing address, if different, of the
30 unincorporated association to which the Secretary of State shall
31 send any notices required to be sent to the association under
32 Sections 18210 and 18215, and (B) designating as agent of the
33 association for service of process any natural person residing in
34 this state or any corporation that has complied with Section 1505
35 and whose capacity to act as an agent has not terminated.

36 (b) If a natural person is designated as agent for service of
37 process, the statement shall include the person's complete business
38 or residence street address. If a corporate agent is designated, no
39 address for it shall be included.

1 (c) Filing is deemed complete on acceptance by the Secretary
2 of State of the statement and the filing fee.

3 (d) At any time, an unincorporated association that has filed a
4 statement under this section may file a new statement superseding
5 the last previously filed statement. If the new statement does not
6 designate an agent for service of process, the filing of the new
7 statement shall be deemed to revoke the designation of an agent
8 previously designated. A statement filed under this section expires
9 five years from December 31 following the date it was filed in the
10 office of the Secretary of State, unless previously superseded by
11 the filing of a new statement.

12 (e) Delivery by hand of a copy of any process against the
13 unincorporated association (1) to any natural person designated
14 by it as agent, or (2) if the association has designated a corporate
15 agent, to any person named in the last certificate of the corporate
16 agent filed pursuant to Section 1505 at the office of the corporate
17 agent shall constitute valid service on the association.

18 (f) For filing a statement as provided in this section, the
19 Secretary of State shall charge and collect the fee provided in
20 paragraph (1) of subdivision (b) of Section 12191 of the
21 Government Code for filing a designation of agent.

22 (g) Notwithstanding Section 18055, a statement filed by a
23 partnership under former Section 24003 is subject to this chapter
24 until the statement is revoked or expires.

25 SEC. 35. Section 14101 of the Financial Code is amended to
26 read:

27 14101. The articles of incorporation of every credit union shall
28 set forth the following:

29 (a) The name of the corporation, which shall include the phrase
30 “credit union.”

31 (b) (1) The following statement:

32 The purpose of the corporation is to engage in credit union
33 business and any other lawful activities which are not prohibited
34 to a credit union by applicable laws or regulations.

35 (2) By December 31, 2003, each credit union that immediately
36 prior to the enactment of this section was authorized to operate as
37 a credit union shall amend its articles to comply with the provisions
38 of paragraph (1). Notwithstanding Section 7813.5 of the
39 Corporations Code, the amendment of the articles of a credit union

1 as required by paragraph (1) may be adopted by approval of the
2 board alone.

3 (c) The name and street address in this state of the corporation's
4 initial agent for service of process in accordance with subdivision
5 (b) of Section 8210 of the Corporations Code.

6 (d) The names and addresses of five or more persons appointed
7 to act as initial directors.

8 (e) The street address of the corporation.

9 (f) The mailing address of the corporation, if different from the
10 street address.

11 SEC. 36. Section 12178.1 of the Government Code is amended
12 to read:

13 12178.1. (a) Except for copies of documents on file prepared
14 pursuant to Section 12182, the fee for preparing a copy of any law,
15 resolution, record, or other document on file in the office of the
16 Secretary of State, is one dollar (\$1) for the first page, and fifty
17 cents (\$0.50) for each additional page.

18 (b) Except for copies of documents on file prepared pursuant
19 to subdivision (a), the Secretary of State shall provide compilations,
20 indexes, extracts, or summaries of information, including computer
21 information, contained in the public records of the Secretary of
22 State at a charge sufficient to recover costs. Except where a fee or
23 charge is prescribed by statute, the fee or charge imposed pursuant
24 to this subdivision shall not exceed ten dollars (\$10) per inquiry.

25 (c) The Secretary of State may enter into contracts to provide
26 information and copies and access to information, including direct
27 access to computer information. The contracts may include
28 reasonable conditions for access to information. The amounts
29 payable pursuant to these contracts shall be sufficient to recover
30 costs.

31 (d) The Secretary of State may require persons and firms
32 regularly using the research facilities of the Secretary of State to
33 use those research facilities only pursuant to a contract under
34 subdivision (c).

35 (e) All fees, reimbursements, and contract amounts pursuant to
36 this section shall be accounted as Secretary of State expenditure
37 reimbursements.

38 (f) Fees for special handling pursuant to Section 12182 are in
39 addition to amounts pursuant to this section.

1 SEC. 37. Section 12185 of the Government Code is amended
2 to read:

3 12185. Upon the filing of any document pursuant to any
4 provision of the Corporations Code for which there is a filing fee
5 of twenty-five dollars (\$25) or more, at the time of filing the
6 Secretary of State shall provide a copy without charge.

7 SEC. 38. Section 12191 of the Government Code is amended
8 to read:

9 12191. The miscellaneous business entity filing fees are the
10 following:

11 (a) Foreign Associations, as defined in Sections 170 and 171
12 of the Corporations Code:

13 (1) Filing the statement and designation upon the qualification
14 of a foreign association pursuant to Section 2105 of the
15 Corporations Code: One hundred dollars (\$100).

16 (2) Filing an amended statement and designation by a foreign
17 association pursuant to Section 2107 of the Corporations Code:
18 Thirty dollars (\$30).

19 (3) Filing a certificate showing the surrender of the right of a
20 foreign association to transact intrastate business pursuant to
21 Section 2112 of the Corporations Code: No fee.

22 (b) Unincorporated Associations:

23 (1) Filing a statement in accordance with Section 18200 of the
24 Corporations Code as to principal place of office or place for
25 sending notices or designating agent for service: Twenty-five
26 dollars (\$25).

27 (2) Insignia Registrations: Ten dollars (\$10).

28 (c) Community Associations and Common Interest
29 Developments:

30 (1) Filing a statement by a community association in accordance
31 with Section 1363.6 of the Civil Code to register the common
32 interest development that it manages: An amount not to exceed
33 thirty dollars (\$30).

34 (2) Filing an amended statement by a community association
35 in accordance with Section 1363.6 of the Civil Code: No fee.